



USDA Foreign Agricultural Service

# GAIN Report

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## Argentina

### Grain and Feed

### Lock-Up Report

**2007**

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**Report Highlights:**

Post expects that harvested area for corn will reach 3.2 million hectares for the 2007/08 campaign, with overall production reaching 24.5 MMT, an increase of 9 percent over the previous estimate. Wheat area harvested is expected to reach 5.2 million hectares with production reaching 14.7 MMT. Wheat export registrations remain closed amid rumors that export taxes will be raised prior to re-opening of registrations by the government.

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Includes PSD Changes: Yes  
Includes Trade Matrix: No  
Quarterly Report  
Buenos Aires [AR1]  
[AR]

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## Rice

The Secretariat of Agriculture projects total rice area to reach 184,000 hectares for MY 2007/08, an increase of 9.5 percent over their previous year's estimate. In Entre Rios province, some planting was stopped due to rains and it is reported that some lots will likely have to be replanted. In the province of Corrientes, it is estimated that 35 percent of the central-south (departments of Mercedes and Curuzú Cuatiá) has been planted. In the north of Corrientes, and part of the coast of the Uruguay River, 15-20 percent has been planted due to rains over the last two weeks which have delayed planting activities.

## Corn

Post expects that harvested area will increase in MY2007/08 by around 6 percent over the current USDA estimate to total 3.2 million hectares. However, it is unlikely that yields will reach levels attained in 2006/07 due to expectations that some of the production area will suffer from limited rains during the growing season due to effects of La Niña. Assuming an average for yields at around 7.6 MT/HA, post estimates that production will reach 24.5 MMT.

Corn planting has progressed at a very quick pace this year, due mainly to very good soil moisture and favorable weather conditions. As of October 25, the Secretariat of Agriculture reported that planted area had reached 64 percent (2.6 million hectares) of its estimated 4 million hectares for the 2007/08 crop. The crop is developing nicely in Cordoba and Buenos Aires with reports that the first plantings have reached a height of 15 centimeters in northern Buenos Aires.

## Wheat

As of late September, wheat planting was completed. Post estimates total harvested area will reach 5.2 million hectares for the MY2007/08 campaign. Total production is forecast at 14.7 MMT based on expected yield increases over last year.

The overall crop condition is excellent. Rains throughout the major producing areas in the last few weeks, combined with high temperatures will likely produce higher yields than were seen last year. Farmers treated many plots with fungicides to prevent damage and the sun has recently started to shine for longer periods reducing the risk of disease. The Argentine Grain Exchange reports that the best wheat zones show similar to better conditions than last year and around 74 percent of the wheat surface is characterized as good to excellent. Southern Buenos Aires province is showing similar to better conditions than last year, while Cordoba is showing much better conditions than the previous campaign. Cordoba and La Pampa have seen an increase in area planted and are expecting higher yields with some areas projecting 70 to 120 percent yield increases over last year.

On October 28, Christina Fernandez Kirchner was elected president of Argentina, replacing her husband Nestor Kirchner. Rumors have circulated the press for weeks that export taxes will imminently increase for many commodities by 5 percent across the board, including wheat. Export registrations for wheat, however, have remained closed, fueling the belief that export taxes will be increased before the government re-opens registrations. As of October 30, there has been no official action to increase the export tax on wheat, nor has there been any action to re-open export registrations.

## PSD Table

Country Commodity	Argentina Corn						(1000 HA)(1000 MT)(MT/HA)			UOM
	2005	Revised	Post	2006	Estimate	Post	2007	Forecast	Post	
Market Year Begin	USDA Official	Post Estimate 03/2006	Estimate New 03/2006	USDA Official	Post Estimate 03/2007	Estimate New 03/2007	USDA Official	Post Estimate 03/2008	Estimate New 03/2008	MM/YYYY
Area Harvested	2440	2440	2440	2800	2850	2800	3000	3200	3200	(1000 HA)
Beginning Stocks	956	956	956	1156	556	1156	1156	1056	1156	(1000 MT)
Production	15800	15800	15800	22500	22000	22500	22500	23000	24500	(1000 MT)
MY Imports	64	0	64	0	0	0	0	0	0	(1000 MT)
TY Imports	59	0	59	0	0	0	0	0	0	(1000 MT)
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	16820	16756	16820	23656	22556	23656	23656	24056	25656	(1000 MT)
MY Exports	9464	10000	9464	15800	14500	15800	16000	16000	17200	(1000 MT)
TY Exports	10707	10707	10707	15000	13500	15000	17000	0	18000	(1000 MT)
Feed Consumption	4400	4400	4400	4800	5100	4800	4800	5100	5500	(1000 MT)
FSI Consumption	1800	1800	1800	1900	1900	1900	1900	1900	1900	(1000 MT)
Total Consumption	6200	6200	6200	6700	7000	6700	6700	7000	7400	(1000 MT)
Ending Stocks	1156	556	1156	1156	1056	1156	956	1056	1056	(1000 MT)
Total Distribution	16820	16756	16820	23656	22556	23656	23656	24056	25656	(1000 MT)
Yield	6.47541	6.47541	6.47541	8.035714	7.719298	8.035714	7.5	7.1875	7.65625	(MT/HA)

## PSD Table

Country Commodity	Argentina Wheat						(1000 HA)(1000 MT)(MT/HA)			UOM
	2005	Revised	Post	2006	Estimate	Post	2007	Forecast	Post	
Market Year Begin	USDA Official	Post Estimate 12/2005	Estimate New 12/2005	USDA Official	Post Estimate 12/2006	Estimate New 12/2006	USDA Official	Post Estimate 12/2007	Estimate New 12/2007	MM/YYYY
Area Harvested	5000	5000	5000	5285	5200	5285	5000	4800	5200	(1000 HA)
Beginning Stocks	553	553	553	500	500	500	305	295	305	(1000 MT)
Production	14500	14500	14500	15200	14200	15200	14500	13000	14700	(1000 MT)
MY Imports	10	10	10	5	5	5	0	0	0	(1000 MT)
TY Imports	2	2	2	5	5	5	0	0	0	(1000 MT)
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	15063	15063	15063	15705	14705	15705	14805	13295	15005	(1000 MT)
MY Exports	9563	9563	9563	10500	9500	10500	9500	8100	9700	(1000 MT)
TY Exports	8301	8301	8301	12210	10000	12210	10000	9500	10000	(1000 MT)
Feed Consumption	80	80	80	80	90	80	80	80	80	(1000 MT)
FSI Consumption	4920	4920	4920	4820	4820	4820	4820	4820	4820	(1000 MT)
Total Consumption	5000	5000	5000	4900	4910	4900	4900	4900	4900	(1000 MT)
Ending Stocks	500	500	500	305	295	305	405	295	405	(1000 MT)
Total Distribution	15063	15063	15063	15705	14705	15705	14805	13295	15005	(1000 MT)
Yield	2.9	2.9	2.9	2.876064	2.730769	2.876064	2.9	2.708333	2.826923	(MT/HA)